

**ASSEMBLY BILL**

**No. 2429**

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**Introduced by Assembly Member Matthews**

February 23, 2006

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An act to amend Section 10153.4 of, to amend, repeal, and add Sections 10156.6, 10156.7, and 10215 of, to add and repeal Section 10153.10 of, and to repeal Section 10154 of, the Business and Professions Code, relating to real estate salespersons.

LEGISLATIVE COUNSEL'S DIGEST

AB 2429, as introduced, Matthews. Real estate salespersons: licensure.

Existing law, the Real Estate Law, provides for the licensure and regulation of real estate salespersons by the Department of Real Estate. Under that law, an applicant for licensure as a real estate salesperson is required to submit to the Real Estate Commissioner evidence of the successful completion of specified courses in real estate either prior to issuance of the license or within 18 months after its issuance. The Real Estate Law also exempts a salesperson from completing specified continuing education courses for the first renewal of his or her license.

This bill would, for persons who apply for licensure on or after January 1, 2007, delete the provisions from the Real Estate Law that allow an applicant to submit evidence of his or her completion of the real estate courses within 18 months after issuance of the license. The bill would also revise the continuing education courses a salesperson is required to complete for the first license renewal period.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

SECTION 1. Section 10153.4 of the Business and Professions Code is amended to read:

10153.4. (a) Every person who is required to comply with Section 10153.3 to obtain an original real estate salesperson license shall, prior to the issuance of the license, ~~or within 18 months after issuance~~, submit evidence, satisfactory to the commissioner, of successful completion, at an accredited institution, of a course in real estate practices and one of the courses listed in Section 10153.2, other than real estate principles, advanced legal aspects of real estate, advanced real estate finance, or advanced real estate appraisal.

(b) A salesperson who qualifies for a license pursuant to this section shall not be required for the first license renewal thereafter to complete the continuing education pursuant to Article 2.5 (commencing with Section 10170), except for the courses specified in paragraphs (1) to ~~(4)~~ (5), inclusive, of subdivision (a) of Section 10170.5.

~~(c) The salesperson license issued to an applicant who has satisfied only the requirements of Section 10153.3 at the time of issuance shall be automatically suspended effective 18 months after issuance if the licensee has failed to satisfy subdivision (a). The suspension shall not be lifted until the suspended licensee has submitted the required evidence of course completion and the commissioner has given written notice to the licensee of the lifting of the suspension.~~

~~(d)~~ The original license issued to a salesperson shall clearly set forth the conditions of the license and shall be accompanied by a notice of the provisions of this section and of any regulations adopted by the commissioner to implement this section.

~~(e)~~

(d) The commissioner shall waive the requirements of this section for any person who presents evidence of admission to the State Bar of California, and the commissioner shall waive the requirement for any course for which an applicant has completed an equivalent course of study as determined under Section 10153.5.

~~(f) This section shall become operative July 1, 2003.~~

1 SEC. 2. Section 10153.10 is added to the Business and  
2 Professions Code, to read:

3 10153.10. (a) A person who was issued a real estate  
4 salesperson license prior to January 1, 2007, and did not submit  
5 evidence prior to issuance of the license of the completion of the  
6 educational requirements described in subdivision (a) of Section  
7 10153.4, shall submit this evidence to the commissioner within  
8 18 months of the date of issuance of his or her license. The real  
9 estate salesperson license shall be automatically suspended  
10 effective 18 months after the date of its issuance if the licensee  
11 has failed to comply with this requirement. The suspension shall  
12 not be lifted until the suspended licensee has submitted the  
13 required evidence of course completion and the commissioner  
14 has given written notice to the licensee of the lifting of the  
15 suspension.

16 (b) A person who has obtained a license as described in this  
17 section and has not submitted evidence of completion of the  
18 educational requirements shall not be entitled to a late renewal of  
19 the license under Section 10201.

20 (c) This section shall remain in effect only until January 1,  
21 2009, and as of that date is repealed, unless a later enacted  
22 statute, then is enacted before January 1, 2009, deletes or extends  
23 that date.

24 SEC. 3. Section 10154 of the Business and Professions Code  
25 is repealed.

26 ~~10154. A person who has obtained a conditional license~~  
27 ~~pursuant to Section 10153.4, but has not satisfied the~~  
28 ~~requirements for an unqualified license under Section 10153.4,~~  
29 ~~shall not be entitled to a late renewal of the license under Section~~  
30 ~~10201, and shall not be entitled to the issuance of another~~  
31 ~~conditional license until four years after the date of the issuance~~  
32 ~~of the preceding conditional license.~~

33 SEC. 4. Section 10156.6 of the Business and Professions  
34 Code is amended to read:

35 10156.6. (a) A restricted license issued pursuant to Section  
36 10156.5 as the commissioner in his or her discretion finds  
37 advisable in the public interest may be restricted:

38 (a)

39 (1) By term.

40 (b)

(2) To employment by a particular real estate broker, if a salesperson.

~~(e)~~

(3) By conditions to be observed in the exercise of the privileges granted.

~~(d)~~

(4) If a salesperson licensee or applicant *described in Section 10153.10* has not complied with Section 10153.4 within 18 months after issuance of the license.

*(b) This section shall remain in effect only until January 1, 2009, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2009, deletes or extends that date.*

SEC. 5. Section 10156.6 is added to the Business and Professions Code, to read:

10156.6. (a) A restricted license issued pursuant to Section 10156.5 as the commissioner in his or her discretion finds advisable in the public interest may be restricted:

(1) By term.

(2) To employment by a particular real estate broker, if a salesperson.

(3) By conditions to be observed in the exercise of the privileges granted.

(b) This section shall become operative on January 1, 2009.

SEC. 6. Section 10156.7 of the Business and Professions Code is amended to read:

10156.7. (a) A restricted license issued pursuant to Section 10156.5 does not confer any property right in the privileges to be exercised thereunder, and the holder of a restricted license does not have the right to the renewal of the license.

(b) Except as provided in subdivision (c), the commissioner may, without hearing, issue an order suspending the licensee's right to further exercise any privileges granted under a restricted license pending final determination made after formal hearing.

(c) A restricted salesperson license containing a condition requiring compliance with Section 10153.4 shall be automatically suspended upon the licensee's failure to comply with the condition. The suspension shall not be lifted until the suspended licensee has submitted the required evidence of course

1 completion and the commissioner has given written notice to the  
2 licensee of the lifting of the suspension.

3 *(d) This section shall remain in effect only until January 1,*  
4 *2009, and as of that date is repealed, unless a later enacted*  
5 *statute, that is enacted before January 1, 2009, deletes or extends*  
6 *that date.*

7 SEC. 7. Section 10156.7 is added to the Business and  
8 Professions Code, to read:

9 10156.7. (a) A restricted license issued pursuant to Section  
10 10156.5 does not confer any property right in the privileges to be  
11 exercised thereunder, and the holder of a restricted license does  
12 not have the right to the renewal of the license.

13 (b) The commissioner may, without hearing, issue an order  
14 suspending the licensee's right to further exercise any privileges  
15 granted under a restricted license pending final determination  
16 made after formal hearing.

17 (c) This section shall become operative on January 1, 2009.

18 SEC. 8. Section 10215 of the Business and Professions Code  
19 is amended to read:

20 10215. (a) The fee for a real estate salesperson license shall  
21 not exceed two hundred forty-five dollars (\$245), except that for  
22 an applicant qualifying pursuant to ~~Section 10153.4~~ 10153.10  
23 who has not satisfied all of the educational requirements prior to  
24 issuance of the license, the fee shall not exceed two hundred  
25 seventy-five dollars (\$275).

26 In the case of an original applicant, the fee is payable upon  
27 filing the real estate salesperson license application.

28 (b) If an applicant fails to pass the real estate salesperson  
29 license examination within two years from the date of filing his  
30 or her salesperson license application, his or her salesperson  
31 license application shall lapse and no further proceedings thereon  
32 shall be taken.

33 (c) This section shall remain in effect unless it is superseded  
34 pursuant to Section 10226 or subdivision (a) of Section 10226.5,  
35 whichever is applicable.

36 *(d) This section shall remain in effect only until January 1,*  
37 *2009, and as of that date is repealed, unless a later enacted*  
38 *statute, that is enacted before January 1, 2009, deletes or extends*  
39 *that date.*

1 SEC. 9. Section 10215 is added to the Business and  
2 Professions Code, to read:

3 10215. (a) The fee for a real estate salesperson license shall  
4 not exceed two hundred forty-five dollars (\$245).

5 In the case of an original applicant, the fee is payable upon  
6 filing the real estate salesperson license application.

7 (b) If an applicant fails to pass the real estate salesperson  
8 license examination within two years from the date of filing his  
9 or her salesperson license application, his or her salesperson  
10 license application shall lapse and no further proceedings thereon  
11 shall be taken.

12 (c) This section shall remain in effect unless it is superseded  
13 pursuant to Section 10226 or subdivision (a) of Section 10226.5,  
14 whichever is applicable.

15 (d) This section shall become operative on January 1, 2009.